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RECORDATION NO. **20777-B** FILED

OCT 13 '00 2-30 PM  
TS  
SURFACE TRANSPORTATION BOARD

David J. Dove  
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October 11, 2000

REPLY TO OUR FILE NO.  
007526\00085

**VIA FEDERAL EXPRESS**

Vernon A. Williams  
Secretary  
Surface Transportation Board  
1925 K Street N.W., Suite 700  
Washington, D.C. 20423

**Re: Centennial Gas Liquids LLC**

Dear Secretary:

I have enclosed one (1) executed original and certified copy of the document described below, to be recorded pursuant to Section 11301 of Title 49 of the U.S. Code. This document is a Restated and Amended Mortgage, a secondary document, dated October 9, 2000.

The primary document to which this is connected is recorded under Recordation No. 20777. A Restated and Amended Mortgage, a secondary document, dated October 15, 1998, is recorded under Recordation No. 20777-A.

The names and addresses of the parties to the documents are as follows:

Mortgagee: HSBC Bank Canada, 700 Fifth Avenue, Suite 4100, Seattle, WA 98104.

Mortgagor: Centennial Gas Liquids, L.L.C., 7555 East Hampden Avenue, Suite 401, Denver, CO 80231

A description of the equipment covered by the document follows:

1. Eighteen (18) railroad tank cars, each 33,687 gallons, 112J34OW, non-coiled railroad tank cars with thermal protection, B-612 gauging device, and black DTM exterior paint, with sequential Reporting Marks and Running Nos. CRPX 9701 to CRPX 9718, inclusive, and Serial Nos. 525839 to 525856, inclusive; and

2. Sixteen (16) railroad tank cars, each 33,687 gallons, 112J4OOW, non-coiled railroad tank cars constructed in 1996 with thermal protection, B-612 gauging device, and white DTM exterior paint, with the following Reporting Marks and Running Numbers: CRPX 9601, CRPX 9609, CRPX 9610, CRPX 9611, CRPX 9613, CRPX 9615, CRPX 9619, CRPX 9620, CRPX 9621, CRPX 9624, CRPX 9629, CRPX 9635, CRPX 9637, CRPX 9642, CRPX 9645, CRPX 9649; and

3. Ten (10) Railroad tank cars, each 33,687 gallons, 112J34OW, non-coiled railroad tank cars constructed in 1998 with thermal protection, B-612 gauging device and black DTM exterior paint, with the following Reporting Marks and Running Numbers: CRPX 986001, CRPX 986000, CRPX 986003, CRPX 986025, CRPX 986026, CRPX 986030, CRPX 986032, CRPX 986035, CRPX 986039 and CRPX 986041.

A fee of \$26.00 is enclosed. Please return the original documents to David J. Dove, Ryan, Swanson & Cleveland, PLLC, 1201 Third Avenue, Suite 3400, Seattle, Washington 98101-3034.

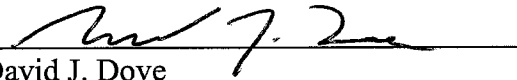
A short summary of the document to appear in the index follows:

Restated and Amended Mortgage between HSBC Bank Canada, 700 Fifth Avenue, Suite 4100, Seattle, WA 98104, mortgagee, and Centennial Gas Liquids, L.L.C., 7555 East Hampden Avenue, Suite 401, Denver, CO 80231, mortgagor, dated October 9, 2000 and covering (i) eighteen (18) railroad cars, each 33,687 gallons, 112J34OW, non-coiled railroad tank car with thermal protection, B-612 gauging device, and black DTM exterior paint, with sequential Reporting Marks and Running Nos. CRPX 9701 to CRPX 9718, inclusive, and Serial Nos. 525839 to 525856, inclusive; (ii) sixteen (16) railroad tank cars, each 33,687 gallons, 112J4OOW, non-coiled railroad tank cars constructed in 1996 with thermal protection, B-612 gauging device, and white DTM exterior paint, with the following Reporting Marks and Running Numbers: CRPX 9601, CRPX 9609, CRPX 9610, CRPX 9611, CRPX 9613, CRPX 9615, CRPX 9619, CRPX 9620, CRPX 9621, CRPX 9624, CRPX 9629, CRPX 9635, CRPX 9637, CRPX 9642, CRPX 9645, CRPX 9649; and (iii) ten (10) Railroad tank cars, each 33,687 gallons, 112J34OW, non-coiled railroad tank cars constructed in 1998 with thermal protection, B-612 gauging device and black DTM exterior paint, with the following Reporting Marks and Running Numbers: CRPX 986001, CRPX 986000, CRPX 986003, CRPX 986025, CRPX 986026, CRPX 986030, CRPX 986032, CRPX 986035, CRPX 986039 and CRPX 986041.

Vernon A. Williams  
October 11, 2000  
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HSBC BANK CANADA

By: Ryan, Swanson & Cleveland, PLLC, its  
attorneys

By:   
David J. Dove

DJD:nad  
Enclosures

**RESTATED AND AMENDED MORTGAGE** OCT 13 '00 2:30 PM**SURFACE TRANSPORTATION BOARD**

(Prior Mortgage Recorded July 18, 1997 with the Surface Transportation Board under Recordation Number 20777 and Prior Restated and Amended Mortgage Recorded November 11, 1998 with the Surface Transportation Board under Recordation Number 20777-A.)

THIS RESTATED AND AMENDED MORTGAGE, dated as of October 09, 2000 is made by Centennial Gas Liquids, L.L.C., a Colorado limited liability company (hereinafter called "Mortgagor"), in favor of HSBC Bank Canada, successor-in-interest to Hongkong Bank of Canada (hereinafter called "Mortgagee").

**RECITALS**

A. Mortgagor by a certain Mortgage, dated as of July 7, 1997, and recorded July 18, 1997 with the Surface Transportation Board under Recordation Number 20777 (the "Mortgage") granted to Mortgagee a security interest in eighteen (18) railroad tank cars to secure certain obligations owned to Mortgagee.

B. The Mortgage was amended and restated by Restated and Amended Mortgage dated October 15, 1998, recorded November 3, 1998 with the Surface Transportation Board under Recordation Number 20777-A, to grant to Mortgagee a security interest in an additional 16 railroad tank cars as described to secure an increased obligation owned to Mortgagee.

C. The parties hereto desire to amend and restate said mortgage to secure increased obligation and to add additional railroad tank cars as security therefor.

**AGREEMENT**

MORTGAGOR HEREBY WARRANTS, REPRESENTS, COVENANTS AND AGREES WITH MORTGAGEE AS FOLLOWS:

1. Grant of Security Interest. Mortgagor hereby grants to Mortgagee a security interest in:

a. Eighteen (18) railroad tank cars, each 33,687 gallons, 112J34OW, non-coiled railroad tank cars with thermal protection, B-612 gauging device, and black DTM exterior paint;

b. Sixteen (16) railroad tank cars, each 33,687 gallons, 112J40OW, non-coiled railroad tank cars constructed in 1996 with thermal protection, B-612 gauging device, and white DTM exterior paint; and

c. Ten (10) railroad tank cars, each 33,687 gallons, 112J34OW, non-coiled railroad tank cars constructed in 1998 with thermal protection, B-612 gauging device and black DTM exterior paint,

all as more specifically identified in Exhibit A attached hereto and incorporated herein by this reference, together with all revenue and other income and derived therefrom and all proceeds thereof, including without limitation, insurance proceeds (hereinafter collectively called the "Collateral").

2. Obligations Secured. This Mortgage secures the payment and performance of all indebtedness and obligations of Mortgagor to Mortgagee presently existing and hereafter arising, direct or indirect, and interest thereon, including without limitation, full and timely compliance with the obligations, covenants and conditions of Mortgagor to Mortgagee under certain commitment letters dated May 5, 1997, September 29, 1998 and September 19, 2000, and that certain Amended and Restated Promissory Note of even date herewith, payable to Mortgagee in the amount of USD\$2,096,546.34 (the "Note").

3. Covenants. Mortgagor shall timely perform the following covenants:

a. Regulations. Mortgagor shall comply with any governmental regulation affecting the use of the Collateral, shall not waste, injure nor destroy the Collateral, nor use nor permit the use of the Collateral in any unlawful manner. Mortgagor shall obtain all licenses and permits required for the use and operation of the railroad cars.

b. Security Interests. Mortgagor shall not create nor permit the existence of any lien or security interest other than that created hereby on the Collateral without the written consent of Mortgagee. Any certificate of title now or hereafter existing on any of the Collateral shall be delivered to Mortgagee and shall recite the interest of Mortgagee.

c. Use of Collateral. Mortgagor shall use the Collateral only within the United States and no other country without the written consent of Mortgagee.

d. Sale of Collateral. Mortgagor shall not sell the Collateral or any interest therein without the prior written consent of Mortgagee.

e. Taxes. Mortgagor shall pay before delinquency all taxes or other governmental charges that are or may become a lien or charge on the Collateral and shall pay any tax which may be levied on any obligation secured hereby.

f. Maintenance. Mortgagor shall keep, maintain and repair the Collateral. Mortgagee may inspect the Collateral at reasonable times and intervals and may, for this purpose, enter the premises upon which any Collateral may be located.

g. Insurance. Mortgagor shall keep the Collateral continuously insured by an insurer approved by Mortgagee against fire, theft and other hazards designated by Mortgagee, in an amount not less than the balance of the Obligations secured hereby, with such form of loss-payable clause as designated by and in favor of Mortgagee, and shall deliver the policies and evidence showing payment of premiums to the Mortgagee. In the event of loss, Mortgagee shall have full power to collect any and all insurance upon the Collateral and to apply the same at its option to any obligation secured hereby, whether or not matured, or to the restoration or repair of

the Collateral. Mortgagee shall have no liability whatsoever for any loss that may occur by reason of the omission or lack of coverage of any such insurance.

h. Accounts and Reports. Mortgagor shall keep true and accurate records and books of account in which full, true and correct entries shall be made of all dealings or transactions in relation to its business and affairs in accordance with generally accepted accounting principles applied on a consistent basis.

4. Representations and Warranties. Mortgagor represents and warrants to Mortgagee:

a. Status. Mortgagor is a limited liability company duly organized and validly existing, in good standing under the laws of Colorado and in each jurisdiction in which it is doing business, with powers adequate for performing this Mortgage. Mortgagor is duly organized and qualified under all applicable laws, regulations, ordinances and orders of public authorities to carry on such business. The execution, delivery and performance of this Mortgage have been duly authorized by all necessary corporate action required by Mortgagor's articles of organization and operating agreement and all applicable laws. The execution and performance of this Mortgage shall not violate any provision of Mortgagor's articles of organization or operating agreement. Mortgagor shall cause to be done all things necessary to maintain and preserve its corporate existence as represented in this paragraph and its rights and franchises, and shall comply with all related laws applicable to Mortgagor in such manner as its counsel shall advise.

b. No Default. The execution and performance of this Mortgage shall not violate any provision of any applicable law and shall not conflict with or result in any breach of any of the terms, conditions or provisions of, or result in the creation or imposition of any lien, charge or encumbrance upon any of the properties or assets of Mortgagor pursuant to the terms of, or constitute a default under, any other indenture, contract, mortgage, deed of trust or other agreement or instrument to which Mortgagor is a party or by which it is bound. There exists no default under the provisions of any instrument evidencing any indebtedness of Mortgagor or of any agreement relating thereto.

c. Binding Obligation. This Mortgage constitutes a valid obligation of Mortgagor, which is binding and enforceable against Mortgagor in accordance with its terms.

d. No Suit or Action. There is no action, suit or proceeding pending or, to the knowledge of Mortgagor, threatened, at law or in equity before or by any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, which might result in any materially adverse change in Mortgagor's title to any of the Collateral or its financial condition or operations, or which would involve the probability of any judgment or liability not fully covered by insurance.

e. Priority. The rights of Mortgagee hereunder are not subordinate to the rights of any third party.

f. Title. Mortgagor is vested in title to the Collateral and the same is free and clear of all security interests and encumbrances of every nature.

5. Expenses Incurred by Mortgagee. Mortgagee is not required to, but may, at its option, pay any tax or other charge or expenses payable by debtor and any filing or recording fees and any amounts so paid shall be repayable by Mortgagor upon demand. Mortgagor shall also repay upon demand all of Mortgagee's expenses incurred in collecting, insuring, conserving or protecting the Collateral or in any inventories, audits, inspections or other examination by Mortgagee in respect of the Collateral. All such sums shall bear interest at the default rate stated in the Note until repaid by Mortgagor and such sums and interest thereon shall be secured hereby. The rights granted by this paragraph are not a waiver of any other rights of Mortgagee arising from breach of any of Mortgagor's covenants.

6. Default. Time is of the essence in this Mortgage, and in any of the following events, hereinafter called "Events of Default," to-wit:

a. Any failure to pay the full amount of any payment of principal, interest, taxes, insurance premiums or other charges which are or may be secured hereby; or

b. Any failure to perform as required by any covenant or agreement herein, including the above-referenced commitment letter or the Note; or

c. The falsity of any representation by Mortgagor herein or in any credit application or financial statement given by Mortgagor to Mortgagee as a basis for any extension of credit secured hereby; or

d. If the Collateral should be seized or levied upon under any legal or governmental process against Mortgagor or against the Collateral; or

e. If Mortgagor becomes insolvent or is the subject of a petition in bankruptcy, either voluntary or involuntary, or in any other proceeding under the federal bankruptcy laws; or makes an assignment for the benefit of creditors; or if Mortgagor is named in or the Collateral is subjected to a suit for the appointment of a receiver; or

f. Loss, substantial damage to, or destruction of any material portion of the Collateral; or

g. Entry of any judgment against Mortgagor; or

h. Dissolution or liquidation of Mortgagor.

Then and in any of such events of default, the entire amount of the Obligations secured hereby shall then or at any time thereafter, at the option of Mortgagee, become immediately due and payable without notice or demand, and Mortgagee shall have an immediate right to pursue the remedies set forth in this Mortgage.

7. Remedies. In the event of a default hereunder, Mortgagee shall have all remedies provided by law; and without limiting the generality of the foregoing, shall be entitled as follows:

a. Effective upon Mortgagee's determination that an Event of Default has occurred and is continuing, Mortgagor hereby irrevocably appoints Mortgagee its true and lawful attorney-in-fact with full power (in the name of Mortgagor or otherwise) to exercise to the exclusion of Mortgagor all rights and powers to (a) ask, require, demand and receive all proceeds due Mortgagor with respect to the Collateral and (b) endorse any checks or other instruments or orders in connection therewith. Mortgagor hereby waives any notice of the occurrence of any Event of Default.

b. Mortgagor agrees to put Mortgagee in possession of the Collateral on demand; and

c. Mortgagee is authorized to enter any premises where any of the Collateral may be situated and take possession of said Collateral without notice or demand and without legal proceedings; and

d. At the request of Mortgagee, Mortgagor shall make the Collateral available to Mortgagee at a place designated by Mortgagee which is reasonably convenient to both parties; and

e. Mortgagor agrees that a period of fifteen (15) days from the time notice is sent, by first-class mail or otherwise, shall be a reasonable period of notification of a sale or other disposition of the Collateral; and

f. Mortgagor agrees to pay on demand the amount of all expenses reasonably incurred by Mortgagee in protecting or realizing on the Collateral. In the event that this Mortgage or any obligation secured by it is referred to an attorney for protecting or defending the priority of Mortgagee's interest or for collection or realization procedures, Mortgagor agrees to pay a reasonable attorney's fee, including fees incurred in both trial and appellate courts, or fees incurred without suit, and expenses of title search and all court costs and costs of public officials. The sums agreed to be paid in this subparagraph shall be secured hereby; and

g. If Mortgagee disposes of the Collateral, Mortgagor agrees to pay any deficiency remaining after application of the net proceeds to any indebtedness secured hereby.

8. Modifications, Consents and Waivers. No failure or delay on the part of Mortgagee in exercising any power or right under this Mortgage shall operate as a waiver thereof, nor shall any single or partial exercise of any right or power preclude any other or further exercise thereof or the exercise of any other rights or power. No amendment, modification or waiver of any provision to this Mortgage, nor consent to any departure therefrom, shall in any event be effective unless the same shall be in writing and consented to by Mortgagee, and then such amendment, modification, waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on Mortgagor



in any case shall entitle Mortgagor to any other or further notice or demand in similar or other circumstances.

9. Notices. All notices and requests in connection with this Mortgage shall be in writing and may be given by personal delivery, registered or certified mail, telegram or telex and addressed as follows:

Mortgagor: Centennial Gas Liquids, L.L.C.  
7555 E. Hampden Avenue, Suite 401  
Denver, CO 80231

Mortgagee: HSBC Bank Canada  
Attention: Manager  
700 Fifth Avenue, Suite 4100  
Seattle, WA 98104

or to such other address as the party to receive the notice or request shall designate by notice to the other.

10. Binding Effect and Assignment. This Mortgage shall be binding upon and inure to the benefit of Mortgagor, Mortgagee and their respective successors and assigns, except that Mortgagor may not delegate its obligations under this Mortgage without the prior written consent of Mortgagee.

11. Headings. Paragraph headings used in this Mortgage are for convenience of reference only and shall not affect the constructions of this Mortgage.

12. Severability. The unenforceability or invalidity of any provision or provisions of this Mortgage shall not render any other provision or provisions of this Mortgage unenforceable or invalid.

13. Additional Documents. Mortgagor shall, at Mortgagee's request, from time to time, at Mortgagor's sole cost and expense, execute, re-execute, deliver and redeliver any and all documents, and do and perform such other and further acts, as may be required by Mortgagee to enable Mortgagee to perfect, preserve and protect its security interest in the Collateral and its rights and remedies under this Mortgage or granted by law and to carry out and effect the intents and purposes of this Mortgage.

14. Counterparts. This Mortgage may be executed in any number of counterparts, each of which shall be deemed as original, but all of which shall constitute one and the same document.

15. Applicable Law. This Mortgage shall be governed by the laws of the State of Washington.

**CENTENNIAL GAS LIQUIDS, L.L.C.**

**HSBC BANK CANADA**

By: [Signature]  
Its: Manager

By: [Signature]  
Its: Vice President & Deputy Manager

By: [Signature]  
Its: Manager

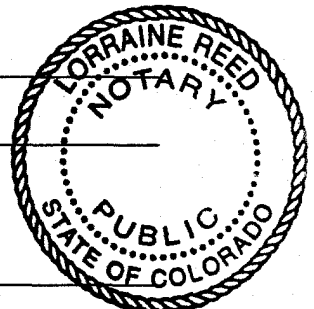
STATE OF COLORADO       )  
  ) ss.  
COUNTY OF Denver       )

I certify that I know or have satisfactory evidence that Mike Price and Steve Creamer is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the \_\_\_\_\_ of CENTENNIAL GAS LIQUIDS, L.L.C., to be the free and voluntary act and deed of said limited liability company, for the uses and purposes mentioned in the instrument.

WITNESS my hand and official seal hereto affixed this 9th day of October, 2000.

Lorraine Reed  
(Signature of Notary)

(Print or stamp name of Notary)  
NOTARY PUBLIC in and for the State  
of Colorado  
My Appointment Expires: \_\_\_\_\_



My Commission Expires 09/06/2004

COUNTY OF KING )

I certify that I know or have satisfactory evidence that JOHN VAN BUBKIRK is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the VP & DEPUTY MANAGER of HSBC BANK CANADA, to be the free and voluntary act and deed of said chartered bank, for the uses and purposes mentioned in the instrument.

WITNESS my hand and official seal hereto affixed this 10<sup>th</sup> day of October, 2000.



Shirley L. Wilson  
(Signature of Notary)

(Signature of Notary)  
ESTHER L WEBB

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State  
of Washington

My Appointment Expires: 06-24-03

**EXHIBIT A TO MORTGAGE**  
**(Description of Collateral)**

**MORTGAGOR:     CENTENNIAL GAS LIQUIDS, L.L.C.**

**MORTGAGEE:     HSBC BANK CANADA**

Eighteen (18) railroad cars, each 33,687 gallons, 112J34OW, non-coiled railroad tank car with thermal protection, B-612 gauging device, and black DTM exterior paint, as identified as follows:

<b>Reporting Marks and Running Numbers</b>	<b>Serial Numbers</b>	<b>Reporting Marks and Running Numbers</b>	<b>Serial Numbers</b>
CRPX 9701	525839	CRPX 9710	525848
CRPX 9702	525840	CRPX 9711	525849
CRPX 9703	525841	CRPX 9712	525850
CRPX 9704	525842	CRPX 9713	525851
CRPX 9705	525843	CRPX 9714	525852
CRPX 9706	525844	CRPX 9715	525853
CRPX 9707	525845	CRPX 9716	525854
CRPX 9708	525846	CRPX 9717	525855
CRPX 9709	525847	CRPX 9718	525856

Sixteen (16) railroad tank cars, each 33,687 gallons, 112J4OOW, non-coiled railroad tank cars constructed in 1996 with thermal protection, B-612 gauging device, and white DTM exterior paint, as identified as follows:

CRPX 9601	CRPX 9619	CRPX 9637
CRPX 9609	CRPX 9620	CRPX 9642
CRPX 9610	CRPX 9621	CRPX 9645
CRPX 9611	CRPX 9624	CRPX 9649
CRPX 9613	CRPX 9629	
CRPX 9615	CRPX 9635	

Ten (10) Railroad tank cars, each 33,687 gallons, 112J34OW, non-coiled railroad tank cars constructed in 1998 with thermal protection, B-612 gauging device, and black DTM exterior paint, as identified as follows:

CRPX 986000  
CRPX 986001  
CRPX 986003  
CRPX 986025  
CRPX 986026  
CRPX 986030  
CRPX 986032  
CRPX 986035  
CRPX 986039  
CRPX 986041


## CERTIFICATION

Attached to this Certification is a true and correct copy of the Restated and Amended Mortgage, which I hereby certify to be true and complete and identical in all aspects to the original fully signed Restated and Amended Mortgage.

DATED: October 9, 2000

RYAN, SWANSON & CLEVELAND, PLLC

By

  
David J. Dove

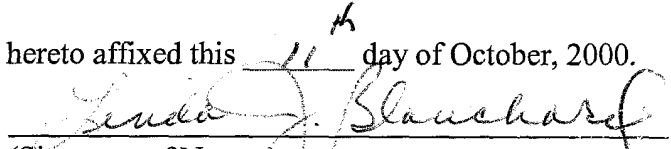
STATE OF WASHINGTON )

) ss.

COUNTY OF KING )

I certify that I know or have satisfactory evidence that David J. Dove is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the attorney of HSBC Bank Canada to be the free and voluntary act and deed of said corporation, for the uses and purposes mentioned in the instrument.

WITNESS my hand and official seal hereto affixed this 11<sup>th</sup> day of October, 2000.

  
(Signature of Notary)

LJ Blanchard  
(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State

of Washington. My Appointment Expires: 12-17-02